

REPORT OF THE COMMITTEE ON ENVIRONMENTAL CONTROL

May 15, 2007

The Honorable,
The Board of Commissioners of Cook County

ATTENDANCE

Present: Chairman Quigley, Vice Chairman Silvestri, Commissioners Gorman, Peraica and Steele (5)

Absent: Commissioners Beavers and Moreno (2)

Also Present: Kevin Givens – Director, Cook County Department of Environmental Control

Ladies and Gentlemen:

Your Committee on Environmental Control of the Board of Commissioners of Cook County met pursuant to notice on Tuesday, May 15, 2007 at the hour of 2:30 P.M. in the Board Room, Room 569, County Building, 118 North Clark Street, Chicago, Illinois.

Your Committee has considered the following items and upon adoption of this report, the recommendations are as follows:

283674 THE COOK COUNTY ENERGY EFFICIENCY AND CLIMATE CHANGE MITIGATION ACT (PROPOSED ORDINANCE). Submitting a Proposed Ordinance sponsored by Forrest Claypool, and Mike Quigley, County Commissioners; Co-sponsored by Elizabeth Ann Doody Gorman, ~~Mike Quigley~~, Roberto Maldonado, Anthony J. Peraica and Peter N. Silvestri, County Commissioners.

The following is a synopsis of the Proposed Ordinance.

PROPOSED ORDINANCE

THE COOK COUNTY ENERGY EFFICIENCY AND CLIMATE CHANGE MITIGATION ACT

WHEREAS, the Chicago Climate Exchange (CCX) provides a means for governments and firms to enter into a voluntary, legally binding agreement to reduce their emissions of six greenhouse gasses by 1.2 percent each year from 2006 to 2010; and

WHEREAS, the CCX operates under a standard "cap-and-trade" system: each emitter is allocated a certain number of credits and the number of credits is lowered each successive year, allowing entities that reduce their emissions below their requirements to sell credits and those that do not meet their requirements to purchase them; and

WHEREAS, many governments—including the City of Chicago, King County, Washington, and the State of Mexico—as well as many Fortune 500 companies—including Ford, IBM, and DuPont—have joined the CCX and committed themselves to reductions; and

WHEREAS, Chicago reduced its direct greenhouse gas emissions by nearly nine percent from its baseline (an average of between 1998 and 2001) and 2003, a reduction of over 30,000 tons of global warming pollution; and

WHEREAS, the City's steps to improve energy efficiency in City buildings led to the auditing and retrofitting of 15 million square feet of public buildings, allowing the City and sister agencies to save \$6 million annually.

NOW, THEREFORE, BE IT ORDAINED, by the Cook County Board of Commissioners that Chapter 30, Article III, Division 1, Section 30-326 be enacted as follows:

Sec. 30-326

(a) Short title.

This Ordinance shall be known as "The Cook County Climate Change Mitigation Act."

(b) Joining the Chicago Climate Exchange (CCX).

Cook County shall enter into Phase II of the CCX, committing to a reduction of 1.2 percent of its greenhouse gas emissions each year between 2006 and 2010.

The County will deliver energy consumption and other relevant data to the CCX which will assist the County in creating an emissions baseline from future reductions will be measured.

The County will develop a strategic plan within three months of the passage of this ordinance that outlines where the County will cut greenhouse gas emissions by the amounts required—or exceeding the amounts required—in Phase II of CCX. This plan will be made publicly available through the President's Web site.

As the emissions reduction plan is implemented, the County will sell any extra emissions credits that it has on the CCX's online trading platform.

*** Referred to the Committee on Environmental Control on 12/19/06.**

Leave was granted to change the listing of sponsors and co-sponsors to include Chairman Quigley as one of the sponsors of Communication No. 283674.

Vice Chairman Silvestri, seconded by Commissioner Peraica, moved the approval of Communication No. 283674. The motion carried.

285200 AIR POLLUTION OPERATING PERMITS/SITE FEES AND REGULATIONS CALLING FOR THE REDUCTION IN REGULATED AIR POLLUTANT EMISSIONS FROM ALL MINOR AND MAJOR SOURCE FACILITIES IN COOK COUNTY (PROPOSED ORDINANCE). Submitting a Proposed Ordinance sponsored by Todd H. Stroger, President, Cook County Board of Commissioners.

PROPOSED ORDINANCE

**AIR POLLUTION OPERATING PERMITS/SITE FEES AND REGULATIONS
CALLING FOR THE REDUCTION IN REGULATED AIR POLLUTANT EMISSIONS
FROM ALL MINOR AND MAJOR SOURCE FACILITIES IN COOK COUNTY**

WHEREAS, the Cook County area has been designated as an area of non-attainment of suitable air quality and ozone standards by the United States Environmental Protection Agency partially due to the air pollution emissions of the expansive industrial businesses within its boundaries; and

WHEREAS, the Board of Commissioners of the County of Cook have introduced a number of air pollution reduction activities as an effort to diminish the detrimental effects of air pollution on the residents of Cook County; and

WHEREAS, the accumulation of greenhouse gases and criteria pollutants in the atmosphere are forming extremely high levels of ozone and adding to global warming; and

WHEREAS, as the levels of pollutants increase in the Cook County area the number of respiratory and cardiovascular related ailments proportionally increase; and

WHEREAS, the United States Environmental Protection Agency and the Illinois Environmental Protection Agency have established regulatory standards in the areas of permitting and reporting of air pollution sources in the efforts to track and reduce air pollution levels; and

WHEREAS, in order to preserve, protect and improve the air resources of Cook County so as to promote the health, safety, welfare and comfort of its residents, Cook County shall take appropriate action in regulating air pollution within Cook County and take efforts to promote the reduction in greenhouse gas emissions from all air pollution source facilities.

NOW, THEREFORE, BE IT ORDAINED, by the Cook County Board of Commissioners that Chapter 30, Article III, Division 4, Section 30-391 through 30-398 of the Cook County Code is hereby enacted as follows:

Division 4.

Air Pollution Operating Permits and Site Fees
and Reductions in Regulated Air Pollutant Emissions

- Sec. 30-391. Recitals.**
- Sec. 30-392. Public Purpose.**
- Sec. 30-393. Regulated Air Pollutants.**
- Sec. 30-394. Authority to Issue Air Pollution Operating Permits and Site Fees.**
- Sec. 30-395. Air Pollution Operating Permits and Site Fees.**
- Sec. 30-396. Rules and Regulations.**
- Sec. 30-397. Emission Levels Reduction.**
- Sec. 30-398. Effective Date.**

*** Referred to the Committee on Environmental Control on 3/01/07.**

Vice Chairman Silvestri, seconded by Commissioner Peraica, moved the approval of Communication No. 285200.

The Director of the Cook County Department of Environmental Control, Kevin Givens, gave a brief summary of the Proposed Ordinance.

Vice Chairman Silvestri indicated that the members had recently received an Ordinance Amendment from the Office of the President and that it was the intention to amend the original Proposed Ordinance by substituting the text in the document that had been distributed. This comprehensively amends the Proposed Ordinance as originally presented.

SUBSTITUTE ORDINANCE FOR COMMUNICATION NO. 285200

AIR POLLUTION OPERATING PERMITS

WHEREAS, the Cook County area has been designated as an area of non-attainment of suitable air quality and ozone standards by the United States Environmental Protection Agency partially due to the air pollution emissions of the expansive industrial businesses within its boundaries; and

WHEREAS, the Board of Commissioners of the County of Cook has introduced a number of air pollution reduction activities as an effort to diminish the detrimental effects of air pollution on the residents of Cook County; and

WHEREAS, the accumulation of greenhouse gases and criteria pollutants in the atmosphere is forming extremely high levels of ozone and adding to global warming; and

WHEREAS, as the levels of pollutants in the Cook County area increases, the number of respiratory and cardiovascular related ailments proportionally increase; and

WHEREAS, the United States Environmental Protection Agency and the Illinois Environmental Protection Agency have established regulatory standards in the areas of permitting and reporting of air pollution sources in an effort to track and reduce air pollution levels;

NOW THEREFORE BE IT ORDAINED by the Cook County Board of Commissioners that Chapter 30, Article III, Division IV, Sections 30-391 through 30-399 of the Cook County Code of Ordinances are hereby enacted as follows:

Division IV. Air Pollution Operating Permits and Site Fees and Reductions in Regulated Air Pollutant Emissions

30-391	Recitals.
30-392	Public Purpose.
30-393	Authority to Issue Air Pollution Operating Permits and Fees.
30-394	Regulated Air Pollutants.
30-395	Air Pollution Filing Permit Fees and Annual Emissions Fees.
30-396	Rules and Regulations.
30-397	Emission Levels Reduction.
30-398	Required Submission of Illinois Annual Air Emission Report.
30-399	Effective Date.

Section 30-391. Recitals. The President and the Board of Commissioners of the County of Cook find that all of the recitals contained in the preambles to this Ordinance are full, true and correct and do incorporate them into this Ordinance by this reference.

Section 30-392. Public Purpose. It is hereby found, determined and declared that the purpose of this Ordinance is to assist the Board and President in the preservation, protection and improvement of the air resources in Cook County so as to promote the health, safety, welfare and comfort of its residents. Cook County may take appropriate action to regulate air pollution within Cook County and may promote the reduction in greenhouse gas emissions from all air pollution source facilities.

Section 30-393. Regulated Air Pollutants. "Regulated Air Pollutant" means the following:

- (a) Nitrogen oxides (NOx)
- (b) Carbon oxides (COx)
- (c) Ammonia (NH3)
- (d) PM (Particulate Matter including PM10 and PM2.5)
- (e) Sulfur oxides (SOx)
- (f) Volatile Organic Compounds (VOC)
- (g) Lead (Pb)
- (h) Any pollutant for which a national ambient air quality standard has been promulgated.

Section 30-394. Authority to Issue Air Pollution Operating Permits and Fees.

The Cook County Department of Environmental Control shall issue initial annual air pollution operating permits beginning in 2007 and annual air pollution operating permits thereafter.

Section 30-395. Air Pollution Filing Permit Fees and Annual Emissions Fees.

Any owner of a site which is required by the State of Illinois to have an air pollution operating permit shall also obtain a filing permit from the Cook County Department of Environmental Control within 30 days of receipt of its state permit and every three years thereafter. The owner also must pay annual emissions fees based upon the tonnage of pollutants emitted.

This requirement does not apply to sites permitted by the Illinois Environmental Agency solely as (1) retail liquid dispensing facilities that have air pollution control equipment or (2) agrichemical facilities with an endorsed permit pursuant to Section 39.4 of the Illinois Environmental Protection Act. The owner or operator of a portable emission unit, as defined in 35 Ill. Adm. Code 201.170 of the Illinois Environmental Protection Act, may change the site of any unit previously permitted without paying an additional fee under this Section for each site change, provided that no further change to the permit is otherwise necessary or requested.

Notwithstanding any rules to the contrary, the owner of a permitted site shall remit to the Cook County Department of Environmental Control the following filing permit fees, payable every three years upon obtaining or renewing a permit, and annual emissions fees:

(1) A site permitted to emit less than 25 tons per year of any combination of regulated air pollutants as reported by its previous year Annual Illinois Air Emission Report (AER), shall pay a filing permit fee of \$1,000 plus an annual emissions fee of \$5 per ton of the total tonnage of any combination of regulated air pollutants.

(2) A site permitted to emit at least 25 tons per year but less than 50 tons per year of any combination of regulated air pollutants as reported by its previous year AER, shall pay a filing permit fee of \$1,500 plus an annual emissions fee of \$10 per ton of the total tonnage of any combination of regulated air pollutants.

(3) A site permitted to emit at least 50 tons but less than 100 tons per year of any combination of regulated air pollutants as reported by its previous year AER, shall pay a filing permit fee of \$2,000 plus an annual emissions fee of \$15 per ton of the total tonnage of any combination of regulated air pollutants.

(4) A site permitted to emit at least 100 tons per year of any combination of regulated air pollutants as reported by its previous year AER, shall pay a filing permit fee of \$2,500 plus an annual emissions fee of \$20 per ton of the total tonnage of any combination of regulated air pollutants.

Section 30-396. Rules and Regulations.

(a) The Cook County Department of Environmental Control shall establish procedures for the collection of air pollution filing permit and annual emissions fees.

(b) The Cook County Department of Environmental Control ("Department") may deny an application for the issuance, transfer, or renewal of an air pollution operating permit if any air pollution site fee owed by the applicant has not been paid within 60 days of the due date, unless the applicant, at the time of application, pays to the Department in advance the air pollution site fee for the site that is the subject of the operating permit, plus any other air pollution site fees then owed by the applicant. The denial of an air pollution operating permit for failure to pay an air pollution site fee shall be subject to review by the County Environmental Control Board of Appeals pursuant to the provisions of Chapter 30, Article II, Division 4. Section 30-123 of the Counties Code.

(c) If the Cook County Department of Environmental Control determines that an owner or operator of a site was required, but failed, to timely obtain an air pollution operating permit, and as a result avoided the payment of permit fees, the Department may collect the avoided permit fees with or without pursuing enforcement. The avoided permit fees shall be calculated as double the amount that would have been owed had a permit been timely obtained. Fees collected pursuant to this subsection shall be deposited into the Cook County Environmental Management Fund

(d) If the Cook County Department of Environmental Control determines that an owner or operator of a site was required, but failed, to timely obtain an air pollution operating permit and as a result avoided the payment of permit fees, an enforcement action may be brought. In addition to any other relief that may be obtained as part of this action, the Cook County Department of Environmental Control may seek to recover the avoided permit fees. The avoided permit fees shall be calculated as double the amount that would have been owed had a permit been timely obtained. Fees collected pursuant to this subsection (d) shall be deposited into the Cook County General Fund.

(e) If a Permittee subject to a fee under this Section fails to pay the fee within 90 days of its due date, or makes the fee payment from an account with insufficient funds to cover the amount of the fee

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1. Douglas Chien Sierra Club

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2. Anna Frostic, Esq. Environmental Health Advocate-American Lung Association
Metropolitan Chicago
3. George Blakemore Concerned Citizen

Commissioner Peraica moved to adjourn the meeting, seconded by Vice Chairman Silvestri. The motion carried and the meeting was adjourned.

**YOUR COMMITTEE RECOMMENDS THE FOLLOWING ACTION WITH REGARD TO THE
MATTERS NAMED HEREIN:**

Communication Number 283674

Approved

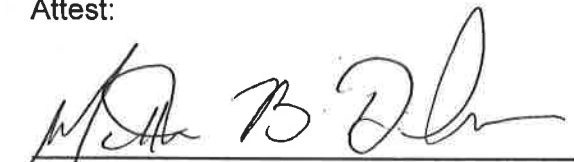
Communication Number 285200

Substitute Ordinance Deferred

Respectfully submitted,
Committee on Environmental Control


Mike Quigley, Chairman

Attest:


Matthew B. DeLeon, Secretary

** The audio recording for this meeting is available from the Office of the Secretary to the Board, 118 North Clark Street, Room 567, Chicago, IL 60602.

AIR POLLUTION OPERATING PERMITS

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- 30-392 Public Purpose.
- 30-393 Authority to Issue Air Pollution Operating Permits and Fees.
- 30-394 Regulated Air Pollutants.
- 30-395 Air Pollution Filing Permit Fees and Annual Emissions Fees.
- 30-396 Rules and Regulations.
- 30-397 Emission Levels Reduction.
- 30-398 Required Submission of Illinois Annual Air Emission Report.
- 30-399 Effective Date.

Section 30-391. Recitals. The President and the Board of Commissioners of the County of Cook find that all of the recitals contained in the preambles to this Ordinance are full, true and correct and do incorporate them into this Ordinance by this reference.

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Notwithstanding any rules to the contrary, the owner of a permitted site shall remit to the Cook County Department of Environmental Control the following filing permit fees, payable every three years upon obtaining or renewing a permit, and annual emissions fees:

- (1) A site permitted to emit less than 25 tons per year of any combination of regulated air pollutants as reported by its previous year Annual Illinois Air Emission Report (AER), shall pay a filing permit fee of \$1,000 plus an annual emissions fee of \$5 per ton of the total tonnage of any combination of regulated air pollutants.
- (2) A site permitted to emit at least 25 tons per year but less than 50 tons per year of any combination of regulated air pollutants as reported by its previous year AER, shall pay a filing permit fee of \$1,500 plus an annual emissions fee of \$10 per ton of the total tonnage of any combination of regulated air pollutants.
- (3) A site permitted to emit at least 50 tons but less than 100 tons per year of any combination of regulated air pollutants as reported by its previous year AER, shall pay a filing permit fee of \$2,000 plus an annual emissions fee of \$15 per ton of the total tonnage of any combination of regulated air pollutants.
- (4) A site permitted to emit at least 100 tons per year of any combination of regulated air pollutants as reported by its previous year AER, shall pay a filing permit fee of \$2,500 plus an annual emissions fee of \$20 per ton of the total tonnage of any combination of regulated air pollutants.

Section 30-396. Rules and Regulations.

(a) The Cook County Department of Environmental Control shall establish procedures for the collection of air pollution filing permit and annual emissions fees.

(b) The Cook County Department of Environmental Control ("Department") may deny an application for the issuance, transfer, or renewal of an air pollution operating permit if any air pollution site fee owed by the applicant has not been paid within 60 days of the due date, unless

the applicant, at the time of application, pays to the Department in advance the air pollution site fee for the site that is the subject of the operating permit, plus any other air pollution site fees then owed by the applicant. The denial of an air pollution operating permit for failure to pay an air pollution site fee shall be subject to review by the County Environmental Control Board of Appeals pursuant to the provisions of Chapter 30, Article II, Division 4. Section 30-123 of the Counties Code.

(c) If the Cook County Department of Environmental Control determines that an owner or operator of a site was required, but failed, to timely obtain an air pollution operating permit, and as a result avoided the payment of permit fees, the Department may collect the avoided permit fees with or without pursuing enforcement. The avoided permit fees shall be calculated as double the amount that would have been owed had a permit been timely obtained. Fees collected pursuant to this subsection shall be deposited into the Cook County Environmental Management Fund

(d) If the Cook County Department of Environmental Control determines that an owner or operator of a site was required, but failed, to timely obtain an air pollution operating permit and as a result avoided the payment of permit fees, an enforcement action may be brought. In addition to any other relief that may be obtained as part of this action, the Cook County Department of Environmental Control may seek to recover the avoided permit fees. The avoided permit fees shall be calculated as double the amount that would have been owed had a permit been timely obtained. Fees collected pursuant to this subsection (d) shall be deposited into the Cook County General Fund.

(e) If a Permittee subject to a fee under this Section fails to pay the fee within 90 days of its due date, or makes the fee payment from an account with insufficient funds to cover the amount of the fee payment, the Department shall notify the Permittee of the failure to pay the fee. If the Permittee fails to pay the fee within 60 days after such notification, the Department may, by written notice, immediately revoke the air pollution operating permit. Failure of the Cook County Department of Environmental Control to notify the Permittee of failure to pay a fee due under this Section, or the payment of the fee from an account with insufficient funds to cover the amount of the fee payment, does not excuse or alter the duty of the Permittee to comply with the provisions of this Section.

Section 30-397. Emission Levels Reduction. Permit Holders for sites where the levels of pollution emissions exceed 100 tons per year of cumulative regulated air pollutants shall be required to submit an annual "Regulated Air Pollutant Emission Reduction Plan" to the Cook County Department of Environmental Control for the Department's approval. Said plan shall detail efforts that will be made to decrease the Site's cumulative regulated pollutant emissions by 10% within the term of the air pollution operating permit.

(a) Annual Regulated Air Pollutant Emission Reduction Plans submitted to the Cook County Department of Environmental Control will be verified by reviewing the Site/Permittee's Illinois Annual Air Emission Report (AER).

(b) Established Regulated Air Pollutant emission reductions exceeding 10% on an annual basis will allow a 10% credit reduction of the following year annual air permit fee.

(c) Failure to reduce Regulated Air Pollutant emissions as indicated in the County approved Reduction Plan may result in penalty fees or loss of permit.

Section 30-398, Required Submission of Illinois Annual Air Emission Report.

(a) Each Site/Permittee shall be required to submit its Illinois AER to the Cook County Department of Environmental Control within 1 month of the submittal of the AER to the Illinois Environmental Protection Agency.

(b) Additionally, each Site/Permittee shall be required to submit quarterly reports detailing the individual pollution emission levels for its fuel burning devices and cumulative values of pollution emissions within the quarterly period.

Section 30-399. Effective Date. This Ordinance shall take effect within ninety (90) days of passage.